

# Property & Liability Outreach

Produced by Department of Administration Bureau of State Risk Management

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FY24, Quarter 1

## P&L Manual Link



## Emergency Response Vendor List

Whenever your agency experiences a loss that involves water, fire or smoke, it is extremely important to mitigate your damages. Above is a hyperlink of Emergency Response Contractors that can be found on the BSRM website. This list is broken down not only by location (area the company serves) but also the perils they can handle.

## Paid Property Claims (Property & Auto Property)

<u>FY22</u>	<u>FY23</u>
\$4,508,523	\$14,924,406

*Amounts Paid Do Not Include Recoveries or successful subrogation*

## Open Claim Counts

<u>Auto Property</u>	<u>Property</u>
92	128

## FY24 Renewal Completion

BSRM with the assistance of the state's broker of record, Gallagher, just finished up an extremely challenging excess property renewal and a very diligently worked excess liability renewal which yielded slightly better than anticipated results. The state continues to struggle with data sets (asset management) on the property side of the house which BSRM is working with DOA personnel to rectify and on the liability side we simply struggle with the various types of exposures (law enforcement, higher education etc.) that the state retains coupled with the size of our enterprise within the public entity space. BSRM also worked with Gallagher to procure various other insurance policies to insulate the self-funded program. If your agency/campus has a unique risk that may be better suited under its own policy, contact the Property and Liability Program Manager -[B.T.](#)

## Risk Management Spotlight: Meet Lara Wall – Gallagher

Hello, everyone! I'm Lara Wall, and I'm truly honored, to be featured in this newsletter. Thank you for the opportunity to share my story with all of you. I am part of the Gallagher service team, collaborating closely with the State of Wisconsin to address insurance and risk management needs. My journey in the insurance industry started right out of college back in the 1990's, when I worked for an insurance broker in Illinois that specialized in the public entity space. Over the years I have worked with risk management teams on Public Entity, Oil & Gas Exploration, Schools Districts, Medical Malpractice and Senior Living Facilities. Working with the State of Wisconsin and its various agencies has been an exciting journey for me, because there's always something new cropping up to challenge me! Partnering with the State gives me an opportunity to be part of all the exciting things that are going on at one time from new buildings and improvements on the various University campuses to helping coordinate the risk management needs of art exhibits at Chazen. What has made my career successful is my unwavering desire to continually learn and ensuring things are done right. I'm all about the facts and logic, and I genuinely enjoy helping clients make informed decisions. I'm grateful for the incredible team I get to work with, and I look forward to making a positive impact in the world of risk management.



## Rented or Leased Contractors Equipment

BSRM understand that agencies and campuses from time to time may need to rent or lease equipment from contractors to conduct business on behalf of the State of Wisconsin. When renting or leasing vehicles and or equipment, contractually the issue of insurance should always be discussed, questioned, understood and defined within the contract or when applicable, a memorandum of understanding that is being agreed to.

General Rules regarding when BSRM will provide coverage and when buying insurance through the vendor/contractor/renter should consider:

Always attempt to use state contracts when and where applicable where insurance may already be built in the cost of the contracted rates (example – State Rental Contract) however if anything is rented for less than 30 days, if insurance is available for the item: the agency should consider buying the insurance.

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Anything rented or leased for 30 days or more, the value of the item in question can be reported by the agency to BSRM in its annual collection of values if coverage will be sought in the Self-Funded Property Program.

Anything that is rented or leased for less than 30 days in which insurance is not an option or can't be purchased, those values should be reported to BSRM in its annual collection of values – that is, if the intent is for the item to be covered under the Self-Funded Property Program.

Values are reported annually to the BSRM by way of [DOA-6084 Property Value Inventory Summary Form](#) (link is to the most recent form, this is updated on an annual basis.)

In cases in which the agency is agreeing to insure contractors' or non-state owned property and the expectation is that coverage being supplied by BSRM (with applicable property deductible) those values of said vehicles and or equipment MUST be reported to BSRM.

Any questions or concerns regarding this topic can be sent to P&L Program Manager – [B.T.](#)

## Auto Repairs Cost

According to a CNBC report, car repair costs are up almost 20% over the past year. Although many of the reasons can be derived down to simple supply and demand issues, some are more systemic related equating to a perfect storm, driving up the cost.

Identified areas:

**More Car Crashes** – The # of crashes jumped in the pandemic era. In 2020 there were an estimated 5.3 million reported crashes compared to 6.1 million reported crashes in 2021 according to information compiled by the National Highway Traffic Safety Administration (NHTSA).

**Fewer Auto Repair Technicians** – According to Techforce Foundation there were about 770,000 automotive technicians in 2018 compared to 733,000 in 2021. Heading into 2022, there were about 56,000 unfilled auto technicians' positions.

**Ongoing Supply Chain Issues** – Car parts have become pricier due to shortages of components (such as microchips) which wear the hat of “supply chain issues.”

**Longer Vehicle Ownership** – More of systemic reason associated with the increase in auto repair cost according to S&P Global Mobility, in 2010 the average age of passenger cars and trucks in operation was 10.5 years increasing to 12.2 years in 2022.

**Technology** – Electronic sensors are pretty standard features in most autos today, they can be found in bumpers, fenders, grilles and windshields. The more advanced something is, the more expensive it is, plan and simple. An additional cost brought on by technology is the high-tech service appointments that are needed to identify the issues and problems.

**SAVE THE DATE! THURSDAY, NOVEMBER 2<sup>nd</sup> 2023 - IN PERSON RISK MANAGEMENT CONFERENCE: TROUBLE WITH THE CURVE!**

## Experts Corner

**Katie Vohs**

Company: **Sedgwick** Position: **Regional General Adjuster**

With the storms kicking off a little late this year and the recent storms that swept through Wisconsin, now would be a great time to have your site contacts (facilities personnel/building managers/department heads/risk managers) walk through and around your buildings to determine if there is any damage from the recent storms (be cautious around any possible downed electrical). If any damage is found, we ask that you provide a timely report of this damage to BSRM.

During these walk throughs, it is also a perfect time to look for potential hazards or ways to limit or eliminate future losses, including:

- Identifying potential maintenance related issues
- Determining if any trees or limbs pose a potential future threat of damage
- Securing or covering outdoor contents or PIO that may be susceptible to weather related losses
- Covering, storing, or getting indoor contents off the floor

We always want to keep in mind that identifying risks and loss prevention are a great way to keep unwanted losses from occurring at your agencies and it also keeps your premiums down. By reaching out and utilizing these individuals at each of your site locations, you can get assistance in identifying any damages that may have already occurred and more importantly, you can identify and mitigate any future risks.

## Paid Liability Claims

<u>FY22</u>	<u>FY23</u>
\$4,649,373	\$3,453,568

## Open Claim Counts

<u>July 2023</u>	
<u>Auto</u>	<u>General</u>
18	12
<u>Civil Rights</u>	<u>Environmental</u>
435	0
<u>Medical Malpractice</u>	
19	
<u>Professional</u>	
6	
<u>Employment Practices</u>	
16	
<u>Total</u>	
506	

## Website:

[P&L Webpage](#)

## Contact Us

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